

OR PARTICULAR DEPARTMENTS OF THE COOPERATIVE;

(2) THE PATRONAGE AS TO PARTICULAR COMMODITIES, SUPPLIES, OR SERVICES; OR

(3) THE CLASSIFICATION OF PATRONAGE ACCORDING TO ITS TYPE.

(E) DETERMINATION OF NET PROCEEDS, SAVINGS, OR LOSSES.

FOR PURPOSES OF THIS SECTION, NET PROCEEDS, SAVINGS, OR LOSSES SHALL BE COMPUTED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES APPLICABLE TO COOPERATIVES, AFTER DEDUCTING FROM GROSS PROCEEDS OR SAVINGS ALL COSTS AND EXPENSES OF OPERATION AND ANY DIVIDENDS PAID ON CAPITAL STOCK AND INTEREST PAID ON CERTIFICATES OR OTHER EVIDENCE OF EQUITY IN ANY FUND, CAPITAL INVESTMENT, OR OTHER ASSETS OF THE COOPERATIVE.

REVISOR'S NOTE: This section presently appears as Art. 23, §371.

In subsections (a) and (c) of this section, the term "pay" is deleted as unnecessary since, as used in conjunction with "apportion and distribute," the term "distribute" encompasses a payment.

The only other changes are in style.

5-526. OPERATING ON NONPROFIT BASIS.

(A) AS SELLING AGENT.

(1) A COOPERATIVE MAY OPERATE AS AN AGENT TO SELL THE PRODUCTS OF ITS MEMBERS ON A NONPROFIT BASIS BY CONTRACTING TO PAY THE MEMBERS THE RESALE PRICE FOR PRODUCTS SOLD BY THEM TO OR THROUGH THE COOPERATIVE, LESS A UNIFORM CHARGE TO COVER THE EXPENSES INVOLVED IN THE HANDLING OF THESE PRODUCTS.

(2) THE RESALE PRICE SHALL BE:

(I) THE ACTUAL RESALE PRICE; OR

(II) A PRICE BASED ON THE AVERAGE PRICE DURING ANY PERIOD FOR PRODUCTS OF THE SAME TYPE AND QUALITY.

(3) THE UNIFORM CHARGE FOR EXPENSES SHALL BE:

(I) SPECIFIED IN THE CONTRACT;

(II) MADE OTHERWISE ASCERTAINABLE; OR